

Minutes of the public hearing and regular meeting of the Big Plains Water and Sewer Special Service District, Washington County, Utah that was held on the 17th day of July, 2013 at the Smithsonian Fire Department Building, 1777 N. Meadowlark Dr., Apple Valley, Utah.

1. The meeting was called to order at 6:00 pm.
2. The Pledge of Allegiance was led by Harold Merritt.
3. Roll Call: Neil Duncan, Jack Davis, Mayor Moser, and Harold Merritt were present. Kevin Sair was excused. Dale Harris was present. Nathan Bronemann took minutes. Legal Counsel was excused. Rod Mills of Ensign Engineering was present.
4. Declarations of conflict of interests

Mayor Moser declared a conflict with agenda item #11 as a part owner of Plains, LLC.

Harold Merritt declared a conflict with agenda item #11 as a part owner of Plains, LLC.

Harold Merritt said this meeting wasn't a public forum to discuss water bills, but that they were looking into a few bills that were excessively high to ensure the accuracy of the water usage. He encouraged any concerns to be brought to Nathan Bronemann to address.

Jack Davis added that they were all users on the water systems and in the same boat.

Mayor Moser said that an average water bill of \$45 per month is an annual average.

Harold Merritt explained that standby fees were charged for water availability, and not for water usage.

5. Public Hearing on the proposed procedure for obtaining water and sewer services

Rod Mills explained that a procedure document had been drafted to outline the policy on providing water and/or sewer services to any new developments.

Bruce Tuttle asked why he was being charged \$29 for no water. He accused the board of getting rich and ripping the people off.

Motion was made by Mayor Moser to have Bruce Tuttle removed from the meeting. Jack Davis seconded the motion. Vote: Jack Davis-yes, Mayor Moser-yes, Neil Duncan-yes, Harold Merritt-yes. The motion passed 4/0.

Mr. Tuttle did not leave, but continued speaking.

Several in attendance complained about how the water bills had gone up.

Harold Merritt explained that he was a citizen of the Town like anyone else. He explained that the cost of bringing the water system up to code needed to be paid for. He said he was trying to do the best he could but having people call him a cheat and a liar was not helping the situation.

Mayor Moser confirmed that those having to pay a \$29 per month standby fee would not have to pay a \$12,000 impact fee.

Rod Mills clarified that the standby fee was paying for each individual's portion of the water infrastructure, whether they were using water presently or not. Rod Mills continued, explaining that there was also a connection fee to have a meter installed. He said new developers would have to pay other fees as well. He said that as long as standby users paid their standby fees, the impact fees would be waived at the time of building.

Jack Davis said the majority of those present were water users. He suggested that everyone come and participate in the meetings to be more involved.

It was asked why everyone didn't receive a letter notifying them that the rates were going to change.

Jack Davis said they did everything as required by the State.

Mayor Moser said they didn't have information on all customers as they didn't receive all of that information from the previous water companies. He said that in the next several months they would begin bringing the systems up to current State standards. He said they have also met with the ISO to review the system.

Jack Davis said water wasn't worth fighting over. He said that as volunteers, the SSD board had worked to find a way to fix the water systems.

Harold Merritt said they wanted to take the time on a one-on-one basis to answer each individual's questions.

Marv Bateman said he appreciated the time the board dedicated to what they did. He said he felt that the current rate structure was too steep. He said he had proposed a new rate structure to the board so there wasn't such a drastic swing.

Harold Merritt reminded those in attendance that they had to have a rate structure that was approved by Federal and State agencies and that the board could not change the rates of their own accord.

Bruce Tuttle said there was usually a "grandfather clause" and he didn't feel that since he had been in Apple Valley for 13 years that he should have to pay a standby fee. He said it was totally unfair. He said the power and phone companies didn't charge standby fees.

An individual asked about why a social security number was required.

Nathan Bronemann explained that as with any service provided on credit, a social security is required for the purpose of collection.

Mayor Moser explained that the Town did not put that sensitive information on the computer system and that it would be kept locked up in the building with an alarm system.

Concern was expressed over why the rates went as high as they were.

Mayor Moser said they were working with individuals on problems with water bills. He said he agreed that it wasn't fair that the rates were so high, but that, due to the state of the system, the required work needed to be paid for to bring the system into compliance. He said that before rates could be changed, at least six months of data needed to be gathered and presented to the public service commission.

Jack Davis said that the past accounting of the water systems was in some aspects very poor, which makes it difficult for the district to take over operations.

Mayor Moser said that the tanks were supposed to be cleaned and sanitized every three years and to his knowledge, that had not happened in over 13 years. He said their goal was just to provide safe water to the community.

Marv Bateman asked what water pressure each home should have. He also asked if there was a backup system in place to power the wells in the case of a power outage.

Jack Davis said approximately three years ago, Cedar Point residents were informed in making sure they had a pressure regulator within the Cedar Point Mutual Water Company, since the water company had improved water storage and supply. The street pressure was at 110 p.s.i.

Rod Mills said there was not currently a backup system in place presently, but that there would be one installed in the future.

Harold Merritt added that they would have a million gallon storage tank that would provide that town with water for quite a while.

Mayor Moser invited residents to participate and said there would be two empty seats on the SSD board come December.

Harold Merritt opened the public hearing on the proposed procedure for obtaining water and sewer services.

Rod Mills explained that they had put together a procedure for new developers to be added to the system. He said the document laid out the process and the costs involved.

Charlie Greco asked how thick the document was.

Rod Mills showed him the document and said there were 20 steps in the document.

Charlie Greco said there was an agreement between the Town and Jepson Canyon Resort that caused him concern.

Mayor Moser said the Town never signed that agreement due to some issues the Town had with the agreement.

Motion made by Neil Duncan to close the public hearing. Jack Davis seconded the motion. Vote: Jack Davis-yes, Mayor Moser-yes, Neil Duncan-yes, Harold Merritt-yes. The motion passed 4/0.

6. Discussion and action on the proposed procedure for obtaining water and sewer services

Motion made by Mayor Moser to approve the proposed procedures as policy. Jack Davis seconded the motion. Vote: Jack Davis-yes, Mayor Moser-yes, Neil Duncan-yes, Harold Merritt-yes. The motion passed 4/0.

7. Discussion on Division of Drinking Water proposed annual fee and public meeting

Harold Merritt said this was a new concern.

Rod Mills said the Division of Drinking Water was proposing charging water companies and districts an annual fee to provide their rural water services. He said they were proposing to charge \$350 to the Big Plains Water and Sewer SSD.

Harold Merritt said he and the Mayor would be attending a hearing on the issue next Monday in Cedar City to voice their concerns.

8. Acquisitions – Harold Merritt

Nothing to report.

9. Funding – Kevin Sair

Nothing to report.

10. Operations – Neil Duncan

Neil Duncan said there was a break on 7/12/13 caused by heavy rains. He said they didn't have parts on hand, but that Curtis Gubler, Harold Merritt, and Mayor Moser helped with Dale Harris to fix the break. He said they needed more parts and tools on hand to better respond to future issues. He estimated \$1,200 to purchase what was needed.

Motion made by Mayor to approve the expense to purchase the supplies needed. Jack Davis seconded the motion. Vote: Jack Davis-yes, Mayor Moser-yes, Neil Duncan-yes, Harold Merritt-yes. The motion passed 4/0.

Harold Merritt said they needed volunteers to interview candidates for the job assisting the water master.

Motion made by Mayor Moser that Harold Merritt and Neil Duncan conduct the interviews with Dale Harris present. Neil Duncan seconded the motion. Vote: Jack Davis-yes, Mayor Moser-yes, Neil Duncan-yes, Harold Merritt-yes. The motion passed 4/0.

Dale Harris said they were still working on getting the Cedar Point pump running as the new pump seized up.

11. Resource Management – Mayor Moser

- a. Discussion and action on taking over the lease of two State well sites and one tank site from Plains, LLC

Rod Mills said they had looked at the resource on a value basis. He said the lease payments were very modest and he recommended the SSD take over the leases and absorb those into the system.

Motion made by Mayor Moser to table this item until there was a full voting quorum so as to avoid any conflicts. Jack Davis seconded the motion. Vote: Jack Davis-yes, Mayor Moser-yes, Neil Duncan-yes, Harold Merritt-yes. The motion passed 4/0.

12. Development – Jack Davis

Nothing to report.

13. Review of Policies and Procedures

a. Discussion and action on Rules and Regulations changes

Mayor Moser said they needed to adopt a policy to align with the Town's. They read the proposed policy change on delinquent accounts.

Motion made by Jack Davis to approve the changes as discussed. Neil Duncan seconded the motion. Vote: Jack Davis-yes, Mayor Moser-yes, Neil Duncan-yes, Harold Merritt-yes. The motion passed 4/0.

14. Sewer

a. Discussion and possible action on Town/District sewer policy

Rod Mills said they were continuing to work on a policy so that all new developments required a sewer component.

15. Consent Calendar - Income and Expenses

Motion made by Neil Duncan to adopt the consent calendar. Mayor Moser seconded the motion. Vote: Jack Davis-yes, Mayor Moser-yes, Neil Duncan-yes, Harold Merritt-yes. The motion passed 4/0.

16. Consider approval of minutes:

a. July 3, 2013 Regular Meeting Minutes

Motion made by Mayor Moser to approve the July 3, 2013 regular meeting minutes. Jack Davis seconded the motion. Vote: Jack Davis-yes, Mayor Moser-yes, Neil Duncan-yes, Harold Merritt-yes. The motion passed 4/0.

17. Request for a closed session

None requested.

18. Adjournment

Motion made by Mayor Moser to adjourn the meeting. Neil Duncan seconded the motion. Vote: Jack Davis-yes, Mayor Moser-yes, Neil Duncan-yes, Harold Merritt-yes. The motion passed 4/0.

Meeting adjourned at approximately 7:39 PM.

Date approved: _____

ATTEST BY: _____
Nathan Bronemann

Chairman Harold Merritt